

§ 1943.29

made at the same time as a loan from another lender, that lender's lien will have priority over the FmHA or its successor agency under Public Law 103-354 lien unless otherwise agreed upon. The lender's lien priority can cover the following in addition to principal and interest: advances for payment of taxes, property insurance, reasonable maintenance to protect the security, and reasonable foreclosure costs including attorney's fees.

[53 FR 35692, Sept. 15, 1988, as amended at 58 FR 48288, Sept. 15, 1993]

§ 1943.29 Relationship between FSA loans, direct and guaranteed.

(a) Direct FO loans may be made simultaneously with other FmHA or its successor agency under Public Law 103-354 loans, and to borrowers presently indebted to FmHA or its successor agency under Public Law 103-354, when the loan limits will *not* be exceeded and all requirements of the loans involved will be met.

(b) A direct FO may be made to a guaranteed loan borrower provided the requirements of 7 CFR 761.8 and all other loan requirements are met.

(c) A borrower may use the same collateral to secure two or more loans, direct or guaranteed, under this subpart except that the outstanding amount of such loans may not exceed the total value of the collateral so used.

[53 FR 35692, Sept. 15, 1988, as amended at 55 FR 21528, May 25, 1990; 58 FR 44747, Aug. 25, 1993; 58 FR 48282, 48288, Sept. 15, 1993; 61 FR 35925, July 9, 1996; 66 FR 7568, Jan. 24, 2001]

§§ 1943.30-1943.32 [Reserved]

§ 1943.33 Loan approval or disapproval.

(a) *Loan approval authority.* Initial and subsequent loans may be approved as authorized by subpart A of part 1901 of this chapter provided:

(1) The total debt including the loan(s) being made (unpaid principal and past due interest) against the security will not exceed the market value of the security.

(2) No significant changes have been made in the development plan considered by the appraiser when real estate will be taken as security.

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(b) *Loan approval action.* (1) The loan approval official must approve or disapprove applications within the deadlines set out in § 1910.4 of subpart A of part 1910 of this chapter. The loan approval official is responsible for reviewing the docket to determine whether the proposed loan complies with established policies and all pertinent regulations. When reviewing the docket, the loan approval official will determine that:

(i) The Agency has certified the applicant eligible.

(ii) Funds are requested for authorized purposes.

(iii) The proposed loan is based on a feasible plan. Planning forms other than Form FmHA or its successor agency under Public Law 103-354 431-2 may be used when they provide the necessary information.

(iv) The security is adequate.

(v) Necessary supervision is planned, and

(vi) All other pertinent requirements have been met or will be met.

(2) [Reserved]

[53 FR 35692, Sept. 15, 1988, as amended at 57 FR 18678, Apr. 30, 1992; 61 FR 35926, July 9, 1996]

§ 1943.34 Requesting title service.

(a) Title clearance will be obtained as provided in subpart B of part 1927 of this chapter, when required by the Agency.

(b) When the loan is approved, the applicant will arrange with the seller to take possession of the land that is being acquired.

[53 FR 35692, Sept. 15, 1988, as amended at 54 FR 47959, Nov. 20, 1989; 56 FR 67481, Dec. 31, 1991; 68 FR 62224, Nov. 3, 2003]

§ 1943.35 Action after loan approval.

(a) *Requesting check.* If the County Supervisor is reasonably certain that the loan can be closed within 20 working days from the date of the check, loan funds may be requested at the time of loan approval through the field office terminal system. If funds are not requested when the loan is approved, advances in the amount needed will be requested through the field office terminal system. Loan funds must be provided to the applicant(s) within 15 days